the Management of Air India continued the LRC meetings till September, 1998 as per the provision of Section 8(5) of the Air Corporation (Transfer of Undertaking and Repeal) Act, 1994;

(c) how the management of Air India Ltd. has stopped calling its meeting of its own without clearance from Government since LRC is a statutory Body under the Act; and

(d) the steps taken by his Ministry to revive the functioning of LRC in Air India?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) At present, LRC is not functioning in Air India.

(b) Air India continued the functioning of LRC till 23.09.1998 even though there is no express saving provision under the Air Corporations (Transfer of Undertaking and Repeal) Act, 1994.

(c) With the passing of the Air Corporations (Transfer of Undertaking and Repeal) Act, 1994 both the Air Corporations Act and Air Corporation rules cease to exist.

(d) It is not necessary to revive the functioning of LRC in Air India for the reason that joint consultative committee has been constituted with various unions/associations/guilds functioning in Air India at the time of entering into settlement with the respective unions/associations/guilds.

Losses suffered by AI

1232. SHRI PREM CHAND GUPTA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the losses being incurred by AI are over Rs. 300 crores per year;

(b) whether it is also a fact that AI losses over the last 3 years have crossed Rs. 1000 crores;

(c) whether it is a fact that there are no signs of checking this slide; and

(d) what are Government's plans to make good these losses?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) and (b) The financial results for the last three years ′ are as under:—

1996-97 — Rs. 296.94 crores
1997-98 — Rs. 181.01 crorcs
1998-99 — Rs. 174.48 crores
(Provisional)

The losses of last three years come to a total of Rs. 652.43 crores.

(c) and (d) Con.staht efforts are being made to check this slide. Measures taken to turn around the Airline are as under:—

(i) Marketing efforts have been stepped up to generate additional revenue, (ii) Network rationalization and consolidation with emphasis placed on route profitability, (iii) Reduction in expenditure on outside repairs of aircraft by undertaking more in-house repairs, (iv) Several posts of India based officers abroad have been abolished, (v) Freeze on external recruitment in non-operational categories, (vi) Two voluntary schemes have been notified viz. shorter working week scheme and leave without pay/allowances scheme for a period of two years extendable upto five years.

The Disinvestment Commission in its Vill Report on Air India has inter alia recommended infusion of Government equity of Rs. 1000 crores and induction of a strategic partner on the basis of global bids. The recommendations of the Commission are under consideration of the Government.

Purchase of Turboprop by Indian Airlines

1233. SHRI PREM CHAND GUPTA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that there is a serious controversy on purchase of Turboprop by Indian Airlines;

(b) whether it is a fact that Indian Airlines has opposed such purchase as it would adversely affect its own survival; and

(c) if so, what are Government's views on this?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) to (c) No, Sir. Indian Airlines has submitted a Project